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United States General Accounting Office

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Fact Sheet for the Chairman, Subcommittee on Environment, Energy, and Natural Resources, Committee on Government Operations, House of Representatives

November 1986

FINANCIAL MANAGEMENT

Information on Expenditures by Interior's Office of the Solicitor

ORIGINAL

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United States
General Accounting Office
Washington, D.C. 20548

Accounting and Financial
Management Division

B-225149

November 18, 1986

The Honorable Mike Synar
Chairman, Subcommittee on
Environment, Energy, and
Natural Resources
Committee on Government
Operations
House of Representatives

Dear Mr. Chairman:

Your September 16, 1986, letter requested that we examine expenditures of the Department of the Interior's Office of the Solicitor to determine how the funds appropriated for fiscal year 1986 were spent. As requested, we concentrated our review efforts on the number of staff assigned to and the amount of funds spent in support of the Office of Surface Mining (OSM). On the basis of your letter and discussions with your office, we agreed to provide you with a fact sheet containing the following information:

-- the Solicitor's fiscal year 1986 budget request, as adjusted to reflect actual appropriations, and Gramm-Rudman-Hollings reductions by programs and activities;

-- obligations incurred by the Solicitor during fiscal years 1986 and 1985 as compared with the budget request (adjusted to reflect congressional actions);

-- detailed accounting information on the obligations for programs and activities by the general expense categories of personnel, other, and overhead;

-- the Solicitor's actions regarding the relevant budget and accounting statutes and reprogramming requirements in his disposition of appropriated funds; and

-- the number of individuals assigned to Office of Surface Mining cases.

We obtained data on actual obligations incurred for fiscal year 1986 from the accounting system maintained by the Department of the Interior's Office of the Secretary. (See appendixes I and II.) As agreed with your office, we did

not evaluate the reliability of the accounting system. However, we did perform limited work to ensure that the data recorded in the accounting system represented obligations of the Office of the Solicitor. Obligation data shown in these appendixes are based on accounting information obtained before the year-end closing process had been completed. Although amounts reflecting any year-end adjustments were not available at the time of our review, we did examine the planned adjustments to determine if any would have a significant effect on the amounts shown in the appendixes. This review disclosed that no significant changes are planned. Specifically, the changes totaled $46,500 and were primarily associated with general administration. The Office of the Solicitor provided the budget data included in the appendixes.

Appendix I shows a comparison of the original budget estimate, adjusted by the Office of the Solicitor to reflect congressional actions, and the actual obligations incurred for fiscal year 1986. Appendix II provides a breakdown of actual obligations by general expense categories--personnel, other, and overhead for the Solicitor's programs and activities. During fiscal year 1986, the Solicitor estimated that about $3.9 million would be spent by the Washington activity to support OSM legal matters. However, the actual obligations incurred were about $2.7 million, or about $1.1 million less than originally estimated. Although the obligations for the Washington activity represent most of the effort spent to support the OSM, other activities relating to OSM matters also had obligations totaling about $135,000 in fiscal year 1986, or about $165,000 less than estimated. The Solicitor and his staff stated that the reason for the spending shortfall is that the legal work load associated with OSM did not warrant the expenditure of additional resources. We are reviewing the work load issue and will report to you later on this matter.

Appendixes III and IV provide similar information on the Solicitor's fiscal year 1985 obligations, as adjusted by that year's closing process. As in fiscal year 1986, the Solicitor's actual fiscal year 1985 obligations relating to the OSM were about $1.1 million less for the Washington activity than the original estimate adjusted for the actual appropriations received.

In fiscal years 1986 and 1985, the Congress provided the Office of the Solicitor lump-sum appropriations. The Solicitor's budget submissions broke down expected obligations by several programs and activities, such as

Surface Mining (Washington). However, these appropriations did not specify how the funds must be allocated among the Solicitor's various programs and activities, or require the Solicitor to submit to congressional committees reprogramming requests regarding the distribution of funds contained in the lump-sum appropriations. The Solicitor, therefore, was statutorily free to determine how the funds were to be distributed among the various programs and activities he was authorized to conduct. The House report on the fiscal 1986 appropriation for Interior requested the Solicitor to report quarterly on Office of Surface Mining expenditures and activities, but did not instruct the Solicitor to submit a reprogramming request if the distribution of funds differed from the budget estimate. The Solicitor has submitted three of the reports to the Subcommittee on the Department of the Interior and Related Agencies, House Committee on Appropriations, and is in the process of preparing the fourth-quarter report.

During fiscal year 1986, 82 individuals were assigned to directly support OSM activities; however, not all personnel were assigned for the entire year. This converts to 60.5 full-time equivalent positions, which were directly associated with OSM matters. The Solicitor's staff stated that personnel who provide internal administrative support and who are assigned to the General Administration activity should also be considered in determining the staffing associated with the Solicitor's OSM effort. Such an allocation would increase the staffing by the full-time equivalent of 5 positions to a total of 65.5 positions.

As agreed with your office, we did not obtain official agency comments on a draft of this document. However, we did discuss information contained in this document with the Solicitor's staff. Unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the date of this report. At that time, we will send the report to interested parties and make copies available to others upon request. If you have any questions regarding the contents of this document, please call me on (202) 275-9454.

Sincerely yours,

John F. Simonette

John F. Simonette
Associate Director

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ABBREVIATIONS

OSM	Office of Surface Mining

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APPENDIX I

COMPARISON OF BUDGET ESTIMATES TO ACTUAL OBLIGATIONS FOR FISCAL YEAR 1986

As requested, we have prepared an analysis of the Solicitor's budget submission, adjusted to reflect the actual appropriations received, and the actual obligations incurred. In order to reflect how the Gramm-Rudman-Hollings reductions were allocated among the various programs and activities, we have shown the available funds in two categories. The first column is the effect of specific congressional actions on the Solicitor's budget estimates, while the second shows the Gramm-Rudman-Hollings reductions. The difference between these two columns (column 3) results in the final amount available to the Solicitor.

Program/activity	Original budget estimate as adjusted by the Solicitor for actual appropriations received	Adjustments made because of Gramm-Rudman-Hollings (Public Law 99-177)	Budget estimate adjusted for Gramm-Rudman-Hollings and congressional action	Actual obligations	Difference over (under)
General Administration	$2,99.,000	$(35,000)	$2,957,000	$2,658,321	$(298,679)
Conservation and Wildlife	1,163,000	(80,000)	1,083,000	1,346,973	263,973
Energy and Resources	1,683,000	(310,000)	1,373,000	2,023,246	650,246
General Law	1,476,000	(20,000)	1,456,000	1,507,368	51,368
Indian Affairs	1,096,000	(50,000)	1,046,000	1,250,321	204,321
Surface Mining (Washington)	3,871,000	0	3,871,000	2,731,072	(1,139,928)
Audit and Investigation	189,000	(5,000)	184,000	157,960	(26,040)
Alaska Region	527,000	(20,000)	507,000	699,509	192,509
Southeast Region	606,000	(11,000)	595,000	543,379	(51,621)
Northeast Region	404,000	(20,000)	384,000	437,305	53,305
Rocky Mountain Region	1,446,000	(50,000)	1,396,000	1,610,447	214,447
Pacific Northwest Region	1,112,000	(45,000)	1,067,000	1,198,244	131,244
Pacific Southwest Region	1,446,000	(105,000)	1,341,000	1,477,227	136,227
Intermountain Region	331,000	(80,000)	251,000	323,366	72,366
Southwest Region	1,914,000	(40,000)	1,874,000	1,322,781	(551,219)
Total	20,256,000	(871,000)	19,385,000	19,287,518	(97,482)
Additional revenue from reimbursable agreements	200,000	0	200,000	370,479	170,479
Total	$20,456,000	$(871,000)	$19,585,000	$19,657,997	$72,997

Note: Totals may not add due to rounding.

Reimbursable agreements reflect decisions to provide services to other federal agencies and other interior entities. The anticipated obligations associated with these agreements are added to the appropriations received by the Solicitor to determine the total funding available.

The total appropriations available for fiscal year 1986 were $19,385,000.

Table I.1: Budget Estimates and Obligations Relating to Office of Surface Mining Legal Matters

	Surface Mining Washington	Surface Mining other activities	Total
Budget estimate	$3,871,000	$300,000	$4,171,000
Obligations	2,731,072	135,035	2,866,107
Difference-over (under)	$(1,139,928)	$(164,965)	$(1,304,893)

APPENDIX II

BREAKDOWN OF OBLIGATIONS BY QUARTER BY PROGRAMS AND ACTIVITIES FOR FISCAL YEAR 1986

Program/activity	First quarter	Second quarter	Third quarter	Fourth quarter	Total
GENERAL ADMINISTRATION					
Personnel	$280,374	$322,680	$276,276	$260,323	$1,139,654
Other	209,984	676,554	188,345	288,824	1,363,707
Overhead	39,353	39,204	39,046	37,358	154,960
Total obligations	$529,711	$1,038,438	$503,668	$586,505	2,658,321
Estimated budget					2,957,000
Difference - over (under)					$(298,679)
CONSERVATION AND WILDLIFE					
Personnel	$318,797	$313,246	$297,930	$280,994	$1,210,967
Other	366	3,093	617	282	4,359
Overhead	32,871	33,137	32,538	33,102	131,648
Total obligations	$352,034	$349,476	$331,086	$314,378	1,346,973
Estimated budget					1,083,000
Difference - over (under)					$263,973
ENERGY AND RESOURCES					
Personnel	$495,164	$443,733	$428,727	$435,685	$1,803,308
Other	2,548	[illegible],848	407	1,320	7,122
Overhead	57,871	53,205	50,667	51,072	212,815
Total obligations	$555,583	$499,786	$479,801	$488,076	2,023,246
Estimated budget					1,373,000
Difference - over (under)					$650,246

APPENDIX II

Program/activity	First quarter	Second quarter	Third quarter	Fourth quarter	Total
GENERAL LAW					
Personnel	$335,137	$335,809	$339,930	$342,014	$1,348,890
Other	266	4,316	2,290	289	7,162
Overhead	36,575	36,870	36,257	41,614	151,316
Total obligations	$371,978	$376,996	$374,477	$383,917	1,507,368
Estimated budget					1,456,000
Difference - over (under)					$51,368
INDIAN AFFAIRS					
Personnel	$286,497	$286,454	$286,802	$258,162	$1,117,915
Other	102	1,715	331	33	2,152
Overhead	32,871	33,137	31,144	33,102	130,253
Total obligations	$319,471	$321,306	$318,247	$291,298	1,250,321
Estimated budget					1,046,000
Difference - over (under)					$204,321
SURFACE MINING (WASHINGTON)					
Personnel	$572,237	$553,418	$568,782	$631,465	$2,325,902
Other	7,592	42,776	17,140	21,002	88,510
Overhead	67,131	80,274	84,135	85,119	316,660
Total obligations	$646,960	$676,468	$670,057	$737,587	2,731,072
Estimated budget					3,871,000
Difference - over (under)					$(1,139,928)
AUDIT AND INVESTIGATIONS					
Personnel	$34,335	$34,895	$35,601	$36,018	$140,849
Other	0	580	69	1,049	1,698
Overhead	3,704	3,734	3,719	4,256	15,412
Total obligations	$38,039	$39,209	$39,389	$41,323	157,960
Estimated budget					184,000
Difference - over (under)					$(26,040)

APPENDIX II

Program/activity	First quarter	Second quarter	Third quarter	Fourth quarter	Total
ALASKA REGION					
Personnel	$155,670	$153,442	$155,196	$153,686	$617,994
Other	1,210	10,019	5,401	7,453	24,082
Overhead	13,889	14,001	14,410	15,132	57,433
Total obligations	$170,768	$177,463	$175,006	$176,271	699,509
Estimated budget					507,000
Difference - over (under)					$192,509
SOUTHEAST REGION					
Personnel	$116,329	$120,238	$121,413	$112,992	$470,972
Other	2,141	6,229	2,759	5,263	16,393
Overhead	13,889	14,001	14,410	13,714	56,014
Total obligations	$132,360	$140,469	$138,582	$131,969	543,379
Estimated budget					595,000
Difference - over (under)					$(51,621)
NORTHEAST REGION					
Personnel	$100,625	$100,065	$100,997	$85,351	$387,037
Other	219	3,573	267	(1,390)	2,669
Overhead	12,500	12,601	11,621	10,876	47,599
Total obligations	$113,344	$116,238	$112,885	$94,838	437,305
Estimated budget					384,000
Difference - over (under)					$53,305
ROCKY MOUNTAIN REGION					
Personnel	$363,579	$350,703	$355,778	$354,802	$1,424,862
Other	2,288	15,999	4,811	6,030	29,128
Overhead	36,575	37,804	39,046	43,033	156,457
Total obligations	$402,442	$404,505	$399,635	$403,865	1,610,447
Estimated budget					1,396,000
Difference - over (under)					$214,447

APPENDIX II

Program/activity	First quarter	Second quarter	Third quarter	Fourth quarter	Total
PACIFIC NORTHWEST REGION					
Personnel	$269,520	$258,009	$248,852	$261,508	$1,037,889
Other	1,983	16,104	16,644	9,862	44,593
Overhead	30,093	28,003	28,820	28,846	115,762
Total obligations	$301,596	$302,116	$294,316	$300,216	1,198,244
Estimated budget					1,067,000
Difference - over (under)					$131,244
PACIFIC SOUTHWEST REGION					
Personnel	$322,496	$318,568	$311,039	$292,597	$1,244,699
Other	4,842	53,966	17,535	11,484	87,827
Overhead	37,964	35,470	35,327	35,939	144,700
Total obligations	$365,301	$408,003	$363,902	$340,020	1,477,227
Estimated budget					1,341,000
Difference - over (under)					$136,227
INTERMOUNTAIN REGION					
Personnel	$71,849	$70,628	$71,430	$68,509	$282,416
Other	623	7,440	1,383	1,665	11,110
Overhead	8,796	7,467	7,902	5,675	29,841
Total obligations	$81,268	$85,535	$80,715	$75,849	323,366
Estimated budget					251,000
Difference - over (under)					$72,366
SOUTHWEST REGION					
Personnel	$300,223	$319,066	$309,902	$202,831	$1,132,021
Other	6,756	20,745	9,221	7,505	44,226
Overhead	38,890	37,804	35,792	34,048	146,533
Total obligations	$345,868	$377,614	$354,915	$244,384	1,322,781
Estimated budget					1,874,000
Difference - over (under)					$(551,219)

APPENDIX II

Program/activity	First quarter	Second quarter	Third quarter	Fourth quarter	Total
REIMBURSABLE EXPENSES					
Personnel	$34,369	$56,741	$67,046	$194,700	$352,856
Other	2,532	2,996	3,166	8,928	17,623
Overhead	0	0	0	0	0
Total obligations	$36,901	$59,737	$70,213	$203,628	370,479
Estimated budget					200,000
Difference - over (under)					$170,479

Note: Totals may not add due to rounding.

See notes to appendix I on page 6.

Other costs are nonpersonnel costs such as travel and vendor payments.

Overhead is the allocation of space costs to each activity. Space costs are charged on the basis of personnel assigned.

COMPARISON OF BUDGET ESTIMATES TO ACTUAL OBLIGATIONS FOR FISCAL YEAR 1985

Program/activity	Original budget estimate as adjusted by the Solicitor for actual appropriations received	Actual obligations	Difference over (under)
General Administration	$2,599,134	$3,295,296	$696,162
Conservation and Wildlife	1,232,999	1,429,661	196,662
Energy and Resources	1,812,456	2,175,938	363,482
General Law	1,591,007	1,541,398	(49,608)
Indian Affairs	1,161,416	1,160,446	(970)
Surface Mining (Washington)	3,908,307	2,829,593	(1,078,714)
Audit and Investigation	193,233	193,621	387
Alaska Region	582,058	724,445	142,387
Southeast Region	658,803	546,814	(111,990)
Northeast Region	454,342	450,037	(4,306)
Rocky Mountain Region	1,513,281	1,606,252	92,971
Pacific Northwest Region	1,178,525	1,255,574	77,049
Pacific Southwest Region	1,559,752	1,549,145	(10,607)
Intermountain Region	337,609	355,064	17,455
Southwest Region	1,779,077	1,433,429	(345,648)
Total	20,562,000	20,546,712	(15,288)
Additional revenue from reimbursable agreements	606,000	128,860	(477,140)
Total	$21,168,000	$20,675,571	$(492,429)

Note: Totals may not add due to rounding.

Reimbursable agreements reflect decisions to provide services to other federal agencies and other interior entities. The anticipated obligations associated with these agreements are added to the appropriations received by the Solicitor to determine the total funding available.

The total appropriations available for fiscal year 1985 were $20,562,000.

The total obligations relating to the Office of Surface Mining legal matters during fiscal year 1985 were $2,935,672, which includes $106,079 for obligations relating to activities not included with Surface Mining in Washington. Budget information was not readily available for us to compare the actual obligations to the original budget estimate for Office of Surface Mining matters in Washington with other activities.

BREAKDOWN OF OBLIGATIONS BY QUARTER BY PROGRAMS AND ACTIVITIES FOR FISCAL YEAR 1985

Program/activity	First quarter	Second quarter	Third quarter	Fourth quarter	Total
GENERAL ADMINISTRATION					
Personnel	$320,760	$319,258	$266,359	$380,221	$1,286,598
Other	274,903	352,380	340,955	879,170	1,847,407
Overhead	42,121	44,026	38,534	36,610	161,291
Total obligations	$637,784	$715,664	$645,847	$1,296,000	3,295,296
Estimated budget					2,599,134
Difference - over (under)					$696,162
CONSERVATION AND WILDLIFE					
Personnel	$286,552	$329,913	$278,394	$384,516	$1,279,375
Other	3,012	1,476	1,336	4,005	9,828
Overhead	34,056	34,495	36,213	35,694	140,457
Total obligations	$323,620	$365,883	$315,942	$424,215	1,429,661
Estimated budget					1,232,999
Difference - over (under)					$196,662
ENERGY AND RESOURCES					
Personnel	$467,620	$479,279	$422,860	$574,721	$1,943,480
Other	5,875	(322)	2,651	1,697	9,900
Overhead	53,772	53,557	57,569	57,660	222,558
Total obligations	$527,266	$531,514	$483,080	$634,078	2,175,938
Estimated budget					1,812,456
Difference - over (under)					$363,482

APPENDIX IV

Program/activity	First quarter	Second quarter	Third quarter	Fourth quarter	Total
GENERAL LAW					
Personnel	$349,471	$332,021	$292,656	$412,278	$1,386,427
Other	4,427	4,686	1,808	2,201	13,122
Overhead	34,056	34,495	37,605	35,694	141,850
Total obligations	$387,954	$371,201	$332,070	$450,174	1,541,398
Estimated budget					1,591,007
Difference - over (under)					$(49,608)
INDIAN AFFAIRS					
Personnel	$252,352	$244,314	$217,396	$320,999	$1,035,061
Other	6,416	(629)	797	1,096	7,679
Overhead	27,334	27,233	31,106	32,033	117,706
Total obligations	$286,102	$270,917	$249,298	$354,128	1,160,446
Estimated budget					1,161,416
Difference - over (under)					$(970)
SURFACE MINING (WASHINGTON)					
Personnel	$586,169	$582,958	$507,214	$685,665	$2,362,006
Other	73,578	52,239	21,232	22,353	169,401
Overhead	74,385	74,436	76,603	72,762	298,185
Total obligations	$734,131	$709,633	$605,049	$780,780	2,829,593
Estimated budget					3,908,307
Difference - over (under)					$(1,078,714)
AUDIT AND INVESTIGATIONS					
Personnel	$38,124	$55,744	$30,580	$47,927	$172,374
Other	1,543	180	400	23	2,146
Overhead	5,825	5,900	3,714	3,661	19,101
Total obligations	$45,492	$61,824	$34,694	$51,611	193,621
Estimated budget					193,233
Difference - over (under)					$387

APPENDIX IV

Program/activity	First quarter	Second quarter	Third quarter	Fourth quarter	Total
ALASKA REGION					
Personnel	$164,793	$161,953	$141,940	$174,528	$642,814
Other	9,180	3,976	8,745	6,365	28,265
Overhead	12,547	13,162	13,928	13,729	53,366
Total obligations	$186,520	$178,691	$164,613	$194,622	724,445
Estimated budget					582,058
Difference - over (under)					$142,387
SOUTHEAST REGION					
Personnel	$115,543	$117,365	$98,740	$137,666	$469,313
Other	8,578	6,019	5,392	5,538	25,527
Overhead	12,547	13,162	12,535	13,729	51,973
Total obligations	$136,668	$136,547	$116,667	$156,932	546,814
Estimated budget					658,803
Difference - over (under)					$(111,990)
NORTHEAST REGION					
Personnel	$93,580	$96,366	$83,357	$118,113	$391,417
Other	1,962	6,606	641	1,069	10,277
Overhead	11,651	11,801	12,535	12,356	48,342
Total obligations	$107,193	$114,773	$96,533	$131,538	450,037
Estimated budget					454,342
Difference - over (under)					$(4,306)
ROCKY MOUNTAIN REGION					
Personnel	$343,305	$337,931	$300,648	$419,138	$1,401,022
Other	16,241	7,966	26,953	12,667	63,827
Overhead	32,711	35,896	37,141	35,694	141,403
Total obligations	$392,258	$381,753	$364,742	$467,499	1,606,252
Estimated budget					1,513,281
Difference - over (under)					$92,971

APPENDIX IV

Program/activity	First quarter	Second quarter	Third quarter	Fourth quarter	Total
PACIFIC NORTHWEST REGION					
Personnel	$270,131	$268,280	$235,013	$320,757	$1,094,180
Other	8,554	17,462	7,899	14,393	48,309
Overhead	27,334	28,594	28,784	28,372	113,085
Total obligations	$306,019	$314,336	$271,697	$363,522	1,255,574
Estimated budget					1,178,525
Difference - over (under)					$77,049
PACIFIC SOUTHWEST REGION					
Personnel	$333,172	$368,611	$248,697	$369,064	$1,319,544
Other	22,192	26,019	12,025	31,226	91,462
Overhead	35,400	32,225	34,820	35,694	138,139
Total obligations	$390,764	$426,855	$295,541	$435,985	1,549,145
Estimated budget					1,559,752
Difference - over (under)					$(10,607)
INTERMOUNTAIN REGION					
Personnel	$72,374	$74,881	$62,534	$89,252	$299,042
Other	8,638	9,638	2,744	4,017	25,037
Overhead	8,066	8,170	7,428	7,322	30,986
Total obligations	$89,078	$92,688	$72,707	$100,591	355,064
Estimated budget					377,609
Difference - over (under)					$17,455
SOUTHWEST REGION					
Personnel	$308,357	$304,922	$259,288	$358,045	$1,230,211
Other	19,482	6,533	11,909	19,875	57,799
Overhead	36,296	36,764	35,748	36,610	145,418
Total obligations	$364,136	$348,219	$306,945	$414,529	1,433,429
Estimated budget					1,779,077
Difference - over (under)					$(345,648)

Program/activity	First quarter	Second quarter	Third quarter	Fourth quarter	Total
REIMBURSABLE AGREEMENTS					
Personnel	$29,450	$24,809	$19,753	$48,212	$122,224
Other	0	0	0	6,636	6,636
Overhead	0	0	0	0	0
Total obligations	$29,450	$24,809	$19,753	$54,848	128,860
Estimated budget					606,000
Difference - over (under)					$(477,140)

Note: Totals may not add due to rounding.

See notes to appendix III on page 13.

Other costs are nonpersonnel costs such as travel and vendor payments.

Overhead is the allocation of space costs to each activity. Spare costs are charged on the basis of personnel assigned.

(905107)

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